

Financial Projections Template Instructions

General Instructions

The CDFI Bond Guarantee Program will utilize a template form to be completed by program applicants to support the financial projections review.

1. The applicant will complete the base case template for the most recent three years of historical audited financial statements, the current year (based on approved or projected budget), and three years of projections.
2. The applicant will provide the historical and projected figures within the statements of position, activities and cash flows.
3. The applicant will furnish a set of assumptions used in the formulation of financial projections, which is located in the final tab of the attached Excel file.

Base Case Instructions

The following is guidance surrounding the completion of the template sheets associated with the base case. The template simplifies financial statement line items and requires the aggregation of certain line items. Please do not add lines to show additional breakdowns, as the template is intended to be high-level. **Line items in the template are intended to be generic. Based on the individual characteristics of the applicant, not all line items will be filled out.**

Base Case Assumptions

For each year of projections, include the assumptions used in the creation of projected data. This information should be completed under the “Assumptions” tab.

Include numerical inputs in the associated cell. Narrative comments should be included in the appropriate comments column to the right of the associated row on the same sheet. Other assumptions that are used and not already identified in the template may be included in the “Other Assumptions” section at the bottom of the page.

To the extent possible, assumptions provided in the template should tie in (via formulas) with the data entered in the other template sheets. The assumptions are intended to inform the CDFI Bond Guarantee Program about the formulation of the base case scenario. To the extent possible, provide detailed comments on the Assumptions page to ensure clarity and understanding on each specific entry. More detailed descriptions are helpful in bridging the CDFI Fund template with the individual financial statements of the CDFI.

Please review the additional instructions provided on the assumptions worksheet to complete this section.

Statement of Position

Cash and Cash Equivalents: Include the value of cash and cash equivalent items (restricted and unrestricted) which can be converted into cash in the short-term (e.g. bank deposits, money market accounts, etc.).

Investments: Include the value of short-term investments in marketable securities, program-related investments, etc.

Loans Receivable: Include a breakdown of loans receivable at the beginning of each year, additions, repayments, other reductions (such as charge-offs), and the loans receivable balance at the end of each year. This should be divided into loans receivable pledged as collateral for the CDFI Bond Guarantee Program, and other loans receivable.

Allowance for Loan Loss Reserve: Include a breakdown of allowance for loan loss reserves associated with the CDFI Bond Guarantee Program, other loans receivable, and other types of investments.

Other Receivables and Assets: Include a breakdown of other receivables and assets (e.g. grants receivable, accounts receivable, prepaid expenses, real estate held for sale, fixed assets, other real estate owned, investments in joint ventures, etc.). In the absence of specific CDFI Bond Guarantee Program guidance, the applicant should treat each line item under Other Receivables and Assets as a main category of assets, but not create additional line items (other receivables and assets in excess of available lines should be aggregated into the “other” line item).

Funding Sources: Include a breakdown of funding sources by category (i.e. CDFI BGP funds, financial institutions, private foundations, religious organizations, individuals, etc.). In the absence of specific instructions from the CDFI Bond Guarantee Program, the applicant should treat Funding Sources #1 and #2 as main categories of non-CDFI Bond Guarantee Program funding, but not create additional line items (other funding sources in excess of available lines should be aggregated into the “other” line item). This should include the beginning balance, drawdowns, repayments, and ending balance of identified funding sources..

Other Liabilities: Include a breakdown of other liabilities that are not funding sources (e.g. accounts payable, accrued liabilities, funds held in trust, etc.).

Statement of Activities

Gross Financial Income: Includes revenues derived from interest earning assets, such as loans receivable and investments. Line items are broken out by interest income generated by lending activities within the CDFI Bond Guarantee Program, other loans receivable not associated with the CDFI Bond Guarantee Program and other sources of investment income. Realized gains (losses) on investments may be included under other investment income, if applicable and specifically described on the Assumptions page.

Fee Income: Include any income charged as fees on assets or accounts (e.g. loans fees, management or sponsor fees, fees associated with NMTC, etc.). In the absence of specific CDFI Bond Guarantee Program instruction, the applicant should treat each line item under Fee Income as a main category. Utilize the comments section of the Assumptions tab for any other details.

Contributed Income: Include revenues from grants, contributions, and other donations. These should be broken down into contributions from Federal government sources, from State and Local government sources, and other sources, which may include corporate and foundation grants. Additional details on contributed income should be described in the comment section of the Assumptions tab.

Other Revenue: Include revenues that are not accounted for in any of the above income categories. This may include, for example, rental income, or the gain on sale of real estate owned. Utilize the comments section of the Assumptions tab to provide any additional information.

Interest Expenses: Include expenses associated with interest paid on borrowed money. Line items should be broken down into interest expense associated with CDFI BGP funds, funding sources identified on the Statement of Position, and other funding sources, as well as provisions for loan losses associated with the CDFI Bond Guarantee Program, other loan receivables, and other investments.

Non-Interest Expenses: Include expenses that are not associated with interest bearing liabilities, including but not limited to, operating and non-operating expenses.

Change in Net Assets: Include changes in unrestricted and restricted net assets, as appropriate.

Statement of Cash Flows

Operating Cash Flow: Include the appropriate cash flow data. These do not need to be broken out into categories.

Investing Cash Flow: Include the appropriate cash flow data. These do not need to be broken out into categories.

Financing Cash Flow: Include the appropriate cash flow data. Show cash flow breakdowns associated with the funding sources types used in the Statement of Financial Position.